

Exhibit A
to Affidavit of
Henry Backe

ORTHOPAEDIC SPECIALTY GROUP, P.C. 401(k) PENSION PLAN

SUMMARY PLAN DESCRIPTION

January 1, 2002

TABLE OF CONTENTS

	Page
INTRODUCTION	1
PLAN PARTICIPATION.....	1
SERVICE CREDITING	3
CONTRIBUTIONS TO THE PLAN.....	5
INVESTING THE MONEY IN YOUR ACCOUNT.....	8
VESTING AND FORFEITURES	10
LOANS	11
IN-SERVICE WITHDRAWALS	13
DISTRIBUTION UPON TERMINATION OR RETIREMENT	15
TAX CONSIDERATIONS.....	18
CLAIMS BY PARTICIPANTS AND BENEFICIARIES	20
SITUATIONS THAT AFFECT PLAN BENEFITS	23
FACTS YOU NEED TO KNOW	24
PLAN INFORMATION	24
ERISA STATEMENT OF RIGHTS.....	26

INTRODUCTION

In brief overview, the Orthopaedic Specialty Group, P.C. 401(k) Pension Plan (the "Plan"):

- Provides you with an opportunity to add substantially to your retirement income.
- Establishes an important source of aid to your family in the event of your death or disability.
- Provides for loans from your vested balance at reasonable interest rates.
- Permits you to make withdrawals during your career should you and your family require emergency funds to meet special or unexpected needs.
- Enables you to realize investment return - according to the option you selected - on your own money, in addition to any non-elective contributions made by Orthopaedic Specialty Group, P.C.
- Provides tax advantages that are not ordinarily available in other investment programs.

While the Plan does provide for the opportunity to withdraw funds prior to retirement, the purpose in establishing this program is to give you another opportunity for long-term capital accumulation to supplement your retirement income. If you are to receive maximum benefits from the Plan, it should *not* be utilized like a short-term bank savings account.

We have attempted to prepare this booklet as an accurate summary of the Plan; however, the Plan document is final should there be any interpretive questions.

The Employer has the right to amend or terminate the Plan at any time.

This booklet presents the major provisions of the Plan as in effect on January 1, 2002.

PLAN PARTICIPATION

Who is Eligible to Participate

The Plan is available to all eligible employees of Orthopaedic Specialty Group, P.C. and any related employers that have adopted the Plan. In this booklet, we will use the term "Employer" to mean Orthopaedic Specialty Group, P.C. and any related employers that participate in the Plan.

If you are an eligible employee, you will be able to participate in the Plan on the first entry date (January 1 or July 1) after you have both:

- Attained age 21; and
- Completed one Year of Service.

You are eligible to participate in the Plan unless you fall into one of the following categories:

- Employees whose employment is governed by a collective bargaining agreement, unless such agreement expressly provides for participation in the Plan.
- Employees who are leased employees.
- Non-Benefits Employees: Employees who have signed an employment agreement, independent contractor agreement or other personal services contract with the Employer stating that they are not eligible to participate in the Plan and any workers that the Employer treats as independent contractors, during the period that the workers are so treated (a worker is treated as an independent contractor if payment for his services is memorialized on a Form 1099, and not on a Form W-2).
- Employees of a related employer unless that related employer has adopted this Plan in writing.

Becoming a Participant

Making contributions to the Plan is completely voluntary. In order to make such contributions, you must file a written application with the Plan Administrator. You will be asked to designate a beneficiary for death benefits, as described below, and to authorize payroll deduction for your salary deferral contributions to the Plan.

After you become eligible for participation and after filing your application, your salary reduction contributions will begin with the first full pay period following the entry date after you have filed your application and are eligible for participation. Entry dates for the Plan are each January 1 and July 1.

If you initially choose not to make salary reduction contributions to the Plan, you may apply to make such contributions at any later time.

How Long Participation Continues

You continue to be an active participant in the Plan until one of the following events occurs:

- You retire;
- You die; or

- Your employment is terminated.

In addition, your salary reduction contributions will cease if:

- You request a suspension of salary reduction contributions under the Plan; or
- You request and receive a withdrawal from the Plan while employment continues which requires you to cease salary reductions for a designated period.

If you file for suspension of salary reduction contributions, they will automatically resume after the suspension period ends, unless an indefinite period of suspension was requested. In that case, you may again commence salary reduction contributions after advising the Employer of your intent to again contribute to the Plan.

SERVICE CREDITING

Year of Service

The term "Year of Service" means the computation period of 12 consecutive months (generally the Plan Year) during which you have completed at least 1,000 Hours of Service.

For eligibility purposes, the initial computation period begins with the date you first perform an Hour of Service (or, following a One-Year Break in Service, the date you again perform an Hour of Service upon reemployment). You will have completed a Year of Service if, at the end of your first twelve consecutive months of employment with the Employer, you have been credited with 1,000 Hours of Service. If you have not been credited with 1,000 Hours of Service by the end of your first twelve consecutive months of employment, you will have completed a Year of Service at the end of any following Plan Year during which you are credited with 1,000 Hours of Service. If you are credited with the required Hours of Service in both the initial computation period (or the computation period beginning after a One-Year Break in Service) and the Plan Year which includes the anniversary of the date on which you first performed an Hour of Service, you will be credited with two Years of Service for purposes of eligibility to participate.

For purposes of determining whether you have completed a Year of Service where the computation period is based upon a short Plan Year, the number of Hours of Service required will be proportionately reduced based on the number of full months in the short Plan Year.

For purposes of vesting, a Year of Service means a Plan Year in which you completed at least 1,000 Hours of Service.

Service with Predecessor Employers

Years of Service with MedPartners, Inc. and any of its subsidiaries will be recognized under this Plan. In addition, Years of Service with any affiliated employer (while affiliated) will be recognized.

Hour of Service

You will be credited with an Hour of Service for purposes of eligibility for participation and vesting for:

- (a) each hour for which you are directly or indirectly compensated by the Employer for the performance of duties during the Plan Year;
- (b) each hour for which you are directly or indirectly compensated by the Employer for reasons other than performance of duties (such as vacation, holidays, sickness, disability, lay-off, military service, jury duty or leave of absence) during the Plan Year; and
- (c) each hour for back pay awarded or agreed to by the Employer.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c).

One-Year Break in Service

A One-Year Break in Service means a Plan Year during which you have not completed more than 500 Hours of Service.

A One-Year Break in Service does NOT occur, however, in a Plan Year in which you enter or leave the Plan for reasons of:

- (a) an authorized leave of absence (including "qualified military service" in accordance with the terms of USERRA);
- (b) certain maternity or paternity absences.

A maternity or paternity absence is an absence taken on account of your pregnancy, the birth of your child, the placement for adoption of a child with you or any absence for the purpose of caring for such child following such birth or placement for adoption. The Plan Administrator will be required to credit you with Hours of Service for a maternity or paternity absence, provided, that no more than 501 Hours of Service will be credited for this purpose, and these Hours of Service will be credited solely to avoid your incurring a One-Year Break in Service. The Plan Administrator may require you to furnish proof that your absence qualifies as a maternity or paternity absence.

If you terminate employment and are reemployed before a One-Year Break in Service occurs, you will continue to participate in the Plan as if such termination had not occurred. If a One-Year Break in Service does occur, you will be eligible to participate again, and your Years of Service before the One-Year Break in Service will be taken into account, once you have completed a Year of Service following such break.

If you were not vested at the time you terminated employment, no Years of Service before such One-Year Break in Service will be taken into account upon reemployment if the number of your consecutive One-Year Breaks in Service equals or exceeds the greater of (1) five, or (2) your aggregate number of pre-break Years of Service. In addition, if you incur five consecutive One-Year Breaks in Service and then are reemployed, Years of Service after such five-year period will not be taken into account for purposes of determining the nonforfeitable percentage of your account that accrued before such five-year period.

Uniformed Services Employment and Reemployment Rights Act

USERRA means the Uniformed Services Employment and Reemployment Rights Act of 1994. Upon returning to employment from "qualified military service," under the conditions outlined under USERRA, your military service counts for all purposes under the Plan. You will not be treated as having a Break in Service. Moreover, you may have certain rights to "make up" missed contributions to the Plan. Employees covered under USERRA include all members of the "uniformed services" who serve voluntarily or involuntarily, including those in the reserves. The uniformed services include the Army, Navy, Air Force, Marine Corps, Coast Guard and Public Health commissioned corps.

CONTRIBUTIONS TO THE PLAN

Compensation

The amount of your contributions is based on your Compensation. Compensation is defined as your earnings received from the Employer during a the Plan Year, as reported on your wage statement Form W-2, including any salary deferral amounts contributed to this Plan or a cafeteria plan.

The Plan, by law, cannot recognize Compensation in excess of \$200,000, as adjusted for cost of living increases in accordance with IRS guidelines.

Your Salary Reduction Contributions

You may elect to defer any portion of your Compensation, up to the maximum amount that would not cause the Plan to violate certain limits imposed by the IRS. For 2002 the maximum amount that you may contribute on a pre-tax basis is \$11,000. This limit may be adjusted for increases in the cost of living.

In addition, if you are at least 50 years of age in any Plan Year, you are eligible to make additional contributions (known as "catch-up contributions") over and above the IRS limit described above for that Plan Year. For 2002, the maximum catch-up contribution is \$1,000. This means that if you are 50 years of age, or if you will attain age 50 before December 31, 2002, you may contribute up to \$12,000 to the Plan in 2002. The limit on the amount of catch-up contributions that you may make will be increased each year, as follows:

<u>Year</u>	<u>Limit</u>
2003	\$2,000
2004	\$3,000
2005	\$4,000
2006 and after	\$5,000

Employee contributions are made as salary reductions on a before-tax basis. In other words, your contributions to the Plan are made on your behalf before you receive the full amount of your Compensation as taxable income. Federal (and most state and local) income taxes are calculated on the amount of your Compensation *after* it has been "reduced" by the amount of your salary deferral contribution to the Plan. You will eventually have to pay taxes (on the tax-deferred amount plus any investment earnings) when your account is finally distributed.

You may change the percentage of your salary deferral contributions by filing a request form with the Plan Administrator within a reasonable time before the pay period for which the change is to be effective. However, modifications to salary deferral elections may only be made twice per year, and will apply to the first full pay period following the entry date (January 1 or July 1) to which the change is to apply.

Rollover Contributions

The Plan will accept rollover contributions and/or direct rollovers of distributions from the following plans: a qualified plan described in Section 401(a) or 403(a) of the Internal Revenue Code, including after-tax employee contributions; an annuity contract described in Section 403(b) of the Code, including after-tax employee contributions; an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; and that portion of any distribution from an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income, provided that the trust from which such funds are transferred permits the transfer to be made and the transfer will not jeopardize the tax exempt status of the Plan or underlying trust or create adverse tax consequences for the Employer.

Withdrawal of Rollover Contributions

You may, at any time, withdraw all or a part of your rollover contributions by filing a written request with the Plan Administrator.

Withdrawals at Age 59½

Once you attain age 59½, even if you are still working, you may, at any time, withdraw all or a portion of your vested account balance by filing a written request with the Plan Administrator, subject to the notice and consent requirements described in the Section entitled "Distribution upon Termination or Retirement." However, any amount in your account that is attributable to funds transferred on your behalf from a money purchase pension plan to this Plan may not be withdrawn prior to retirement.

The Plan Administrator can provide you with further information and forms.

DISTRIBUTION UPON TERMINATION OR RETIREMENT

Form of Distribution

The normal form of benefit payment under the Plan depends on whether you are married when payments commence. If you are not married on the date your benefits are to begin, the normal form of payment is equal monthly installments for life ("Life Annuity"). If you are married on the date your benefits are to begin, the normal form of payment is a joint and 50% survivor annuity ("Qualified Joint and Survivor Annuity"), with your spouse as the beneficiary. Under this method of payment, you would receive a reduced monthly benefit during your lifetime and after your death your spouse would receive, for life, 50% of this monthly amount. However, you may also elect to receive a smaller amount each month with continuation of payments to your spouse at 75% or 100% of the amount payable to you during your lifetime. Each of these alternatives will be actuarially equivalent in value to the joint and 50% survivor annuity. Your monthly benefit under any of these joint and survivor annuity forms will be less than under the Life Annuity because your benefit is actuarially reduced to reflect the cost of your spouse's benefit.

You may, however, waive these forms of payment and elect another method of distribution, subject to the following rules. All methods of distribution have actuarially equivalent values.

Prior to the date you are to receive any distribution, you will receive a notice from the Plan Administrator explaining the Qualified Joint and Survivor Annuity and the Life Annuity forms of benefit in greater detail. You will be given the option of waiving the normal form of payment during the 90-day period before the annuity is to begin. **IF YOU ARE MARRIED, YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY.** You may revoke any waiver up until the date your benefit is to begin. The Plan Administrator will provide you with

Your rollover contribution will be placed in a separate account called a "Rollover Account" (if your rollover contribution includes after-tax contributions, these amounts will be separately accounted for). You will always be 100% vested in your Rollover Account. This means that you will always be entitled to all of your rollover contributions. Rollover contributions will be affected by any investment gains or losses.

Prior to accepting any such rollovers, the Plan Administrator may require you to establish that the amounts to be transferred to this Plan meet certain requirements and may also require you to provide an opinion of counsel satisfactory to the Employer that the amounts to be transferred meet such requirements.

Employer Non-Elective Contributions

Each year the Employer will determine the profit sharing contribution, if any, to make to the Plan. This contribution, called a Non-Elective Contribution, is discretionary.

You must be actively employed on the last day of the year in order to be eligible to share in the Non-Elective Contribution for that year. However, if the reason that you are not employed on the last day of the year is due to retirement, Total and Permanent Disability or death, you will be eligible to share in any Non-Elective Contributions made by the Employer without regard to whether you have satisfied this requirement.

Non-Elective Contributions will be "allocated," or divided, among all participants eligible to share in the contribution for that year. Your share of the contribution will depend upon your Compensation and your classification. For 2002, the Non-Elective Contribution will be allocated as follows:

- First, an amount equal to 5% of Compensation for the Plan Year will be allocated to the account of each member of Group B participating in the Plan. If the Employer does not contribute such amount for all participants, the amount will be allocated to each participant's account in the same proportion that each such participant's total Compensation for the Plan Year bears to the total Compensation of all participants for the year.
- Second, the balance of the Employer's Non-Elective Contribution over the amount allocated above, if any, will be allocated to the account of each member of Group A participating in the Plan in the same proportion that each such participant's Compensation for the year bears to the total Compensation of all participants for such year, until all members of Group A have received the maximum contribution allowable under the Internal Revenue Code.
- Third, any remaining amount will then be allocated to the account of each participant in the same proportion that each participant's Compensation for the year bears to the total Compensation of all Participants for such year.

For this purpose, the following definitions apply:

Group A - All doctors in the employ of the Employer.

Group B - All chart room Employees, medical assistants and supervisors in the employ of the Employer.

INVESTING THE MONEY IN YOUR ACCOUNT

To help build an investment portfolio that is right for you, the Plan permits you to invest your savings among different investment funds designated from time to time by the Plan Administrator. Such funds are described in separate documents that will be provided to you. These separate documents will also contain a description of the investment objectives, risk and return characteristics and types and diversification of assets for each fund, the identity of any designated investment manager and transaction fees that will be directly assessed against your account. Each of the funds has different investment objectives. The responsibility for choosing among the funds is yours. You should match your own needs to the opportunities offered by each fund.

All investments involve a degree of risk and you may want to consult a financial advisor before making your investment decisions. No one at Orthopaedic Specialty Group, P.C., including the Plan Administrator, is authorized to give you investment advice.

The Plan is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 and Title 29 of the Code of Federal Regulations Section 2550.404c-1, and consequently, the fiduciaries of the Plan may be relieved of liability for any losses incurred with respect to your account which are the direct and necessary result of investment directions given by you.

In addition to the information provided to you, you may, upon request to the Plan Administrator, obtain any of the following information:

- A description of the annual operating expenses of each investment alternative which reduce the rate of return to you, and the aggregate amount of such expenses expressed as a percentage of average net assets of the investment alternative.
- Copies of any prospectuses, financial statements and reports and any other materials relating to the investment alternatives to the extent such information is provided to the Plan.
- A list of the assets comprising the portfolio of each investment alternative which constitute "plan assets" within the meaning of Department of Labor Regulations, the value of each such asset, and, with respect to each such asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return of the contract.

- Information concerning the value of shares or units in investment alternatives, as well as the past and current investment performance of each alternative, determined, net of expenses, on a reasonable and consistent basis.
- Information concerning the value of shares or units in investment alternatives held in your account.

In directing your investments, you should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. If you choose investments which produce gains and other earnings, your benefits will tend to increase in value over time. Conversely, if you choose investments that produce losses, your benefits will tend to decrease in value over time. Losses can occur.

You may invest the money in your account (in multiples of __%) in one or more of the available investment funds. You make your initial investment elections when you enroll. All dividends and earnings from your investment in a fund are reinvested in that same fund.

Transaction fees related to investments, purchases and sales for each fund are charged against the fund's assets. The charges are reflected in the total rate of return.

Changing Your Investments

You may change the investment of your existing account balances by directing the transfer of a specified percentage (in multiples of __%) of your Plan account balance from one investment fund to another. You can also change the manner in which your future contributions will be divided among the Plan's investment funds. [These changes may be made on a ____ basis through _____. Changes are processed at _____ every _____ and become effective _____. Changes received after ____ p.m. on _____ will be processed _____.]

The Value of Your Accounts

Your interest in the investment funds under the Plan is determined _____ as of [each day] that the New York Stock Exchange is open for business by using the actual dollar values invested in the funds.

VESTING AND FORFEITURES

General

"Vesting" in any amounts under the Plan means that you have a permanent, nonforfeitable right to those amounts, adjusted, of course, to reflect investment performance.

You are always fully vested (i.e., the amounts cannot be forfeited) in the following amounts that you contribute to the Plan and earnings on them:

- Your before-tax salary deferrals, including catch-up contributions; and
- Any rollover contributions which you made to the Plan.

In addition, you will become fully vested in the Employer Non-Elective Contributions (and earnings thereon) made to your account in accordance with the following vesting schedule:

Vesting Schedule

<u>Years of Service</u>	<u>Percentage</u>
Less than 3 years	0%
3	100%

You will also become 100% vested in your Non-Elective Contributions account upon any of the following events:

- Attainment of age 65 (Normal Retirement Age under the Plan);
- Death;
- Termination of employment due to Total and Permanent Disability; or
- Termination of the Plan or the complete discontinuance of Employer contributions to the Plan.

If you terminate employment prior to completing three Years of Service for any other reason, you will forfeit your nonvested Employer contributions (and earnings thereon). These forfeitures may be reinstated upon rehire, as described below.

Vested Account Balance

The value of your vested account at any time includes the total of all vested Employer Non-Elective Contributions plus earnings thereon. Once you have become vested in any amount, that amount cannot be forfeited.

Forfeitures and Restoration of Forfeitures

If you terminate employment prior to becoming vested in your Employer Non-Elective Contributions account, you will forfeit that portion of your account (and the earnings thereon) on the earlier of:

- (a) the distribution of the entire vested portion of your account, or
- (b) the last day of the Plan Year in which the you incur five consecutive One-Year Breaks in Service.

If the value of your vested account is zero, you will be deemed to have received a distribution of your vested account upon termination of employment.

If you are reemployed before incurring five consecutive One-Year Breaks in Service, and you had received a distribution of your entire vested account when you previously terminated employment, your forfeited account will be reinstated if you repay the full amount distributed to you within five years after the date you are reemployed or the close of the first period of five consecutive One-Year Breaks in Service commencing after the distribution, whichever is earlier. If you repay the full amount distributed to you, the value of your account as of the date you originally terminated employment must be restored in full.

LOANS

You can borrow from your Plan account and pay your account back with interest through convenient after-tax payroll deductions. Initiating a loan is permitted only while you are actively employed by the Employer.

How Much You Can Borrow

The maximum amount you can borrow is the lesser of:

- 50% of the vested amount of your account; or
- \$50,000 minus the highest outstanding loan balance you had in the preceding 12 months.

The minimum amount you can borrow is \$1,000.00 (which requires a vested amount of \$2,000.00). This minimum may be adjusted from time to time by the Plan Administrator. All loans are secured by the vested amount of your account and by your promissory note.

Vested Amount

The vested amount of your account includes all of your own pre-tax contributions, rollover contributions and vested Employer Non-Elective Contributions (plus earnings on all of these amounts).

Interest

Interest is fixed at the time the loan is granted. The interest rate will be determined by the Plan Administrator and will be based on the interest rates currently being charged by persons in the business of lending money under similar circumstances. The interest rate will remain fixed for the life of the loan.

Repaying a Loan

A repayment schedule will be established when the loan is made. The maximum period permitted to repay a loan is five years, unless the loan is used to purchase your principal residence. You may, however, choose a shorter repayment period. At any time, you can prepay all or any portion of the outstanding balance without a penalty.

Loan repayments are made through payroll deductions beginning as soon as administratively possible after the loan proceeds are mailed to you. Retired or terminated participants must pay off the balance of their loan plus accrued interest by the end of the calendar quarter following the calendar quarter in which they retire or terminate, otherwise, their loans will be defaulted.

Loan repayments may be suspended for any part of any period during which you are performing qualified military service, subject to the requirements of USERRA. If you think you may qualify, please ask the Plan Administrator for details.

Effect on Your Account

The amount you borrow is taken proportionately from your investment funds and converted to a promissory note, which becomes an investment of your account. As you repay the loan, the outstanding balance on the note is reduced and your repayments (of both principal and interest) are reinvested according to your investment elections in effect at the time you repay the loan.

Defaults

If you fail to make any installment payment on your loan by the end of the calendar quarter following the calendar quarter in which you missed the installment, repayment of the entire amount outstanding on the loan will be required. Otherwise, the loan will be defaulted. If you retire or otherwise terminate employment with the Employer and fail to pay off the balance of your loan, plus accrued interest, by the end of the calendar quarter

following the calendar quarter in which you retire or terminate, your loan will be defaulted.

The default of a loan is deemed to be a distribution of the unpaid balance of the loan and accrued interest, if any, and you will be taxed accordingly. This will be reported on IRS Form 1099-R in the year of the default. Any outstanding loan balance included in such a deemed distribution will be subject to income tax and a 10% penalty tax for premature distribution if you are under age 59½. The unpaid balance of the loan, plus accrued interest, if any, will be deducted from your account by the Plan Administrator as soon as you are eligible to receive a distribution of your before-tax contributions.

If your loan defaulted due to failure to make payments, the maximum loan amount available to you will be reduced by the outstanding balance of the defaulted loan plus interest which continues to accrue after the default.

How to Apply for a Loan

Applications are available from the Plan Administrator. As part of the application and approval process, you will receive:

- A loan disclosure statement showing the interest rate and repayment information that will be applicable to your loan.
- A loan promissory note, which you must sign and return prior to receiving the loan proceeds.
- A list of any additional documentation that may be required for approval of your loan, for example, documentation in the case of a loan for the purchase of your principal residence.

Within limitations of the law, the Plan Administrator may change the rules relating to loans. You will be informed of any such changes when you request information or a loan application.

IN-SERVICE WITHDRAWALS

The following are permitted in-service withdrawals. Because the Plan is intended for long-term retirement savings, you are encouraged to consider your financial needs carefully before making an in-service withdrawal.

Hardship Withdrawals

Subject to the approval of the Plan Administrator, you may request a distribution on account of hardship from your elective contributions account (excluding any amounts attributable to earnings after 1988). A hardship withdrawal will be authorized only if the distribution is on account of:

- (i) Medical expenses incurred by you, your spouse or dependents;
- (ii) The purchase of your principal residence (mortgage payments are excluded);
- (iii) Payment of tuition, room and board expenses and related educational fees for the next 12 months of post-secondary education for you, your spouse, your children or your dependents; or
- (iv) Preventing eviction from or foreclosure on the mortgage on your principal residence.

A hardship withdrawal may not be in excess of the amount of your immediate and heavy financial need, including any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution. In addition, you must have obtained all distributions other than hardship distributions, and all loans currently available to you under all plans maintained by the Employer

If you make a hardship withdrawal, your contributions to the Plan will be suspended for six months following your withdrawal.

Your hardship withdrawal may be subject to 20% federal withholding tax and may also be subject to state taxes. Additionally, if you are under age 59½ at the time you take your hardship withdrawal, a 10% penalty for early withdrawal may be imposed, unless certain conditions apply. If you wish to take a hardship withdrawal, the Plan Administrator will provide you with a notice which explains the withholding taxes and early withdrawal penalty in more detail.

forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Plan Administrator of any change in your marital status.

If you are married and you duly elect not to receive your account balance in the form of a Qualified Joint and Survivor Annuity, or if you are single, you may elect to receive the actuarial equivalent of your account balance in one or more of the following methods:

- (a) one lump sum payment in cash;
- (b) payments over a period certain in monthly, quarterly, semiannual or annual cash installments, provided that the period over which such payments may be made may not extend beyond your life expectancy or the life expectancy of you and your designated beneficiary; or
- (c) annuity payments over a period not extending beyond your life expectancy or the life expectancy of you and your designated beneficiary.

If you are married, you may designate a person or persons other than your spouse as your beneficiary, provided that your spouse consents in writing in a manner prescribed by the Plan Administrator. No consent will be required if it is established to the satisfaction of the Plan Administrator that the consent cannot be obtained because you have no spouse, because your spouse cannot be located or because of such other circumstances as the Secretary of the Treasury may prescribe by regulations. Any subsequent spouse will not be bound by the consent of a previous spouse.

If the present value of your vested account under the Plan does not exceed \$5,000 (determined without regard to any amounts attributable to rollover contributions and earnings on those contributions), your entire vested account will be distributed to you automatically in a single lump sum as soon as practicable following your retirement or termination of employment (regardless of whether you obtain spousal consent), if the distribution occurs prior to your attaining Normal Retirement Age.

If the present value of your vested benefit under the Plan exceeds \$5,000 you (and your spouse, if you are married) must give written consent before the distribution may be made. Also, if you want the distribution to be in a form other than an annuity payment, you (and your spouse, if you are married) must first waive the annuity form of payment.

In any event, federal law requires that certain minimum distributions be made from the Plan, beginning no later than April 1 of the year following the year that you reach age 70½, or retire, whichever is later. However, if you are a 5% owner of the Employer, benefit payments must begin no later than April 1 of the year following the year that you reach age 70½.

Disability Benefits

Your account will become 100% vested and payable to you if you become Totally and Permanently Disabled while employed by the Employer. Total and Permanent Disability means a physical or mental condition resulting from bodily injury, disease, or mental disorder which renders you incapable of continuing your usual and customary employment with the Employer, as determined by a licensed physician chosen by the Plan Administrator. The determination will be applied uniformly to all Participants.

Distribution Upon Your Death

If you die before beginning to receive benefits from the Plan and you are married, your surviving spouse will be entitled to receive a benefit called a Preretirement Survivor Annuity. This is a death benefit in the form of an immediate annuity for the life of your spouse, with payments equal to 50% of the value of your account. You may designate a beneficiary other than your spouse to receive that portion of your account that is not payable as a Preretirement Survivor Annuity.

Your surviving spouse may direct that payment of the Preretirement Survivor Annuity begin within a reasonable period after your death; otherwise, payment will commence at the time that you would have attained Normal Retirement Age. However, your surviving spouse may also elect a later commencement date.

If you are not married on the date of your death, or if you waive the Preretirement Survivor Annuity, with the consent of your spouse, your designated beneficiary will receive your full interest in the Plan (less the amount of any outstanding plan loan that is secured by your account), payable in either of the following forms, as elected by you (or by your beneficiary, if no election has been made prior to your death):

- (a) a lump sum; or
- (b) monthly, quarterly, semiannual or annual cash installments over a period elected by you or your beneficiary.

You may designate a beneficiary other than your spouse if your spouse consents in writing to the designation, acknowledges the effect of the consent and the spouse's signature is witnessed by a Plan representative or notary public. The designation of a beneficiary must be made on a form provided by the Plan Administrator. You may at any time revoke your designation of a beneficiary or change your beneficiary by filing written notice with the Plan Administrator. However, if you are married, your spouse must again consent in writing to any change in beneficiary of that portion of the death benefit that would otherwise be paid as a Preretirement Survivor Annuity unless the original consent acknowledged that your spouse had the right to limit consent only to a specific beneficiary and that your spouse voluntarily elected to relinquish such right. You may at any time designate any beneficiary to receive death benefits in excess of the Preretirement Survivor Annuity. If no valid designation of beneficiary exists at the time of your death, your account will be paid to your estate.

If the value of your account on the date of your death does not exceed \$5,000 (determined without regard to any amounts attributable to rollover contributions and earnings thereon), the present value of the Preretirement Survivor Annuity will be distributed to your spouse in a lump sum as soon as practicable following your death.

TAX CONSIDERATIONS

Your pre-tax contributions and the Employer Non-Elective Contributions made on your behalf, together with any earnings or interest credited to your account, are not taxable to you until actually withdrawn or distributed.

Additional (Penalty) Taxes

An additional 10% penalty is imposed upon the taxable portion of ALL payments from the Plan (including hardship withdrawals) EXCEPT FOR distributions made:

- After you reach age 59½;
- Because of death;
- Upon your retirement at or after age 55;
- Because of Total and Permanent Disability;
- To pay for major, tax deductible unreimbursed medical expenses; or
- To a former spouse or dependent pursuant to a qualified domestic relations order.

Tax Treatment of Distributions From the Plan

Whenever you receive a distribution from the Plan, it will normally be subject to income taxes. You may, however, reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- (a) The rollover of all or a portion of the distribution to an Individual Retirement Account (IRA), another qualified employer plan or plan maintained by a tax-exempt or governmental employer. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally, within 60 days after you receive your distribution). Under certain circumstances all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to rollover all or a portion of your distribution amount, the direct transfer option described in paragraph (b) below might be the choice for your method of distribution.

(b) You may request for most distributions that a direct transfer of all or a portion of your distribution amount be made to either an IRA, another qualified employer plan or a plan maintained by a tax-exempt or governmental employer willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other qualified employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

(c) The election of favorable income tax treatment under "10-year forward averaging," or the "capital gains" method of taxation, if you qualify.

WHENEVER YOU RECEIVE A DISTRIBUTION, THE PLAN ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE RULES. HOWEVER, THE RULES WHICH DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT WITH QUALIFIED TAX COUNSEL BEFORE MAKING A CHOICE.

CLAIMS BY PARTICIPANTS AND BENEFICIARIES

Claims for benefits under the Plan may be filed in writing with the Plan Administrator. Your claim for Plan benefits will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan Administrator will furnish you with a written or electronic notice of this denial. This notice must be provided to you within 90 days (45 days in the event of retirement on account of Total and Permanent Disability) after the receipt of your claim by the Plan Administrator. This 90-day period may be extended to 180 days (75 or 105 days in the case of retirement on account of Total and Permanent Disability) if special circumstances require an extension of time for processing the claim and if written notice of such extension and circumstances is provided to you within the initial 90-day period. The written notice must contain the following information:

- (a) specific reasons for the decision and reference to the specific Plan provisions on which the decision is based;
- (b) where appropriate, an explanation as to how you can perfect the claim;
- (c) an explanation of the Plan's claims review procedure and the time limits applicable to such procedures;
- (d) a statement that you have a right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review; and
- (e) in the case of a denied claim for retirement benefits on account of Total and Permanent Disability:
 - (i) if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or other similar criterion will be set forth in the letter or the letter will inform you that such rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy will be provided free of charge upon request; and
 - (ii) if the adverse benefit determination is based on a Plan exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request.

If your claim is denied in accordance with the above and you want to submit your claim for review, you will then be permitted to proceed to the review stage described below.

The Claims Review Procedure

(a) Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Plan Administrator.

(b) YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 60 DAYS (OR 180 DAYS IN THE CASE OF RETIREMENT ON ACCOUNT OF TOTAL AND PERMANENT DISABILITY) AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM FOR BENEFITS.

(c) You may review all pertinent documents relating to the denial of your claim and submit any issues and comments, in writing, to the Plan Administrator.

(d) Your claim for review must be given a full and fair review that takes into account all comments, documents, records and other information submitted that relates to your claim, regardless of whether such information was submitted or considered in the initial benefit determination.

(e) You will be provided, upon request to the Plan Administrator and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim for benefits. A document is relevant to your claim for benefits if it was relied upon in making the determination, was submitted, considered, or generated in the course of making the determination or demonstrates that benefit determinations are made in accordance with the Plan and that Plan provisions have been applied consistently with respect to similarly situated claimants.

(f) If your claim is denied, the Plan Administrator must provide you with written or electronic notice of this denial within 60 days (45 days in the case of retirement on account of Total and Permanent Disability) after the Plan Administrator's receipt of your written claim for review. There may be times when this 60-day period may be extended. This extension may only be made, however, where there are special circumstances which are communicated to you in writing within the 60-day period. If there is an extension, a decision will be made as soon as possible, but not later than 120 days (90 days in the case of retirement on account of Total and Permanent Disability) after receipt by the Plan Administrator of your claim for review.

(g) Notice of a denied claim must contain the following information:

(i) specific reasons for the decision and reference to the specific Plan provisions on which the decision is based;

(ii) a statement that you have a right to bring a civil action under Section 502(a) of ERISA;

(iii) a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of, all documents, records and other information relevant to the claim for benefits. A document is relevant to the claim for benefits if it was relied upon in making the determination, was submitted, considered or generated in the course of making the determination or demonstrates that benefit determinations are made in accordance with the Plan and that Plan provisions have been applied consistently with respect to similarly situated claimants; and

(iv) in the case of a claim for retirement benefits on account of Total and Permanent Disability that is denied on review:

(1) if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol or other similar criterion will be set forth in the letter or the letter will inform you that such rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy will be provided free of charge upon request;

(2) if the adverse benefit determination is based on a Plan exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request; and

(3) the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office or State insurance regulatory agency."

(h) If benefits are provided or administered by an insurance company, insurance service, or other similar organization which is subject to regulation under the insurance laws, the claims procedure relating to these benefits may provide for review. If so, that company, service, or organization will be the entity to which claims are addressed. If you have any questions regarding the proper person or entity to address claims, you should ask the Plan Administrator.

SITUATIONS THAT AFFECT PLAN BENEFITS

Certain situations could affect Plan benefits or your receipt of benefits:

Incapacity

If you (or your beneficiary) are legally incapable of receiving your benefit, the Plan will pay the benefit to a legal guardian. If a guardian has not been appointed, the benefit will be paid to a spouse, child, or other person or institution that the Plan Administrator believes is responsible for your care.

Limitation on Benefits

Federal tax law limits the maximum annual amount that can be contributed to your accounts under the Plan to the lesser of \$40,000 (as adjusted by the IRS for increases in the cost of living) or 100% of your Compensation. In addition, salary deferral contributions made by certain highly compensated employees may be limited in certain circumstances. You will be notified if these limits affect you.

Termination Benefits

The Employer intends for this Plan to be permanent but must reserve the right at any time to terminate it and discontinue contributions. Upon any partial or full termination, all Employer Non-Elective Contributions will become fully vested and nonforfeitable.

Amendments to the Plan

The Employer reserves the right at any time and from time to time to amend, modify, or suspend any provision of the Plan, in whole or in part, prospectively or retroactively, for any reason, provided, that no such amendment may (1) deprive you of any portion of your vested account under the Plan; or (2) authorize or permit any part of the funds held under the Plan to be used for, or diverted to, purposes other than the payment of Plan expenses, or the payment of benefits to Participants and their beneficiaries.

Top Heavy Rules

A plan that primarily benefits "key employees" is called a "top heavy plan." Key employees are certain owners or officers of the Employer. A plan is considered to be a top heavy plan if the present value of the accounts for key employees is more than 60% of the present value of accounts for all employees.

Each year, the Plan Administrator is responsible for determining whether the Plan is a top heavy plan. If the Plan becomes top heavy in any Plan Year, then all employees will be entitled to receive certain top heavy minimum benefits.

FACTS YOU NEED TO KNOW

- The Plan will pay benefits only to you or your beneficiary under the conditions described in the legal documents summarized in this booklet. Plan benefits may not be assigned, transferred or attached to pay debts, except (1) for payment of federal income taxes, or (2) pursuant to a Qualified Domestic Relations Order, as described below.
- If you become divorced or legally separated from your spouse, all or a portion of your account may be assigned to your former spouse or your dependents (called an "alternate payee"). Such assignments may only be done pursuant to a domestic relations order, entered by a state court of competent jurisdiction, which is found by the Plan Administrator to be a Qualified Domestic Relations Order. A distribution to an alternate payee will be permitted even if you have not separated from service and have not reached retirement age under the Plan. The Plan Administrator will establish uniform procedures for handling such orders and payments under them. You or your beneficiaries may contact the Plan Administrator to obtain a copy of such procedures free of charge.
- If you continue working beyond age 65 (Normal Retirement Age), you may continue active participation in the Plan.
- This booklet is a summary of the legal document that governs the Plan. If there is a conflict between this booklet and the Plan document, the Plan document will govern.
- If the Plan must be revised in order to obtain Internal Revenue Service approval and the change substantially affects benefits, you will be notified.
- Nothing contained in this booklet or the Plan may be deemed to constitute an employment contract between the Employer and any employee or to confer any right of employment upon any individual.

PLAN INFORMATION

Plan Name

The name of the Plan is the Orthopaedic Specialty Group, P.C. 401(k) Pension Plan.

Employer and Plan Sponsor

The Employer and Plan Sponsor is:

Orthopaedic Specialty Group, P.C.
75 Kings Highway Cutoff

Fairfield, CT 06430
Tel. (203)

Plan Number:

Employer Identification Number (EIN):

Plan Administrator

The Employer is the Plan Administrator. You can write to the Plan Administrator at:

Plan Administrator
Orthopaedic Specialty Group, P.C. 401(k) Pension Plan
c/o Orthopaedic Specialty Group, P.C.
75 King's Highway Cutoff
Fairfield, CT 06430
(203)

The Plan Administrator has the sole discretionary authority to determine all questions arising in connection with the Plan, to interpret the provisions of the Plan and to construe all of its terms, to adopt, amend and rescind rules and regulations for the administration of the Plan, and generally to conduct and administer the Plan and to make all determinations in connection with the Plan as may be necessary or advisable. All such determinations by the Plan Administrator are conclusive and binding on all persons.

Service of Legal Process

Legal process may be served on the Plan Administrator or on the Trustee.

Trustees

The Trustees of the Plan are:

PBGC Insurance

By law, the Pension Benefit Guaranty Corporation does not insure the benefits under this Plan since separate accounts are maintained for each Participant whose benefit is fully funded. That benefit consists of the Participant's nonforfeitable account balance at the time.

Type of Plan

The Plan is a defined contribution, profit sharing type of plan.

Trust Fund

Plan contributions are made to a trust fund which is held for the exclusive benefit of Plan Participants.

Plan Year

The Plan's records are kept on a calendar year basis (January 1 through December 31).

ERISA STATEMENT OF RIGHTS

As a Participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office, all documents governing the Plan, including a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- Obtain a personal statement showing the value of your accounts. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide this statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including the Employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Employer as the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.